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No. 07-1595

Supreme Court, U.S.
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In The
Supreme Court of the United States

STEPHEN G. GOETZ AND
GARDNER DESIGN GROUP,

Petitioners,

v.

AMERICAN EXPRESS COMPANY.

Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Second Circuit

PETITIONERS REPLY BRIEF

KEITH A. VOGT
Counsel of Record
ROLF STADHEIM
JOSEPH A. GREAR
GEORGE C. SUMMERFIELD
STADHEIM & GREAR, LTD.
Wrigley Tower - 22nd Floor
400 North Michigan Avenue
Chicago, IL 60611-4102
312/755-4400

Counsel for Petitioners

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American Express tries to steer this Court down a blind alley by claiming that Goetz seeks the resolution of an issue that was "neither argued nor decided" below. (Opposition p. 7). To achieve this, American Express says the question presented by Goetz asks the Court to address "the burden of proof placed on a reverse confusion claimant to establish secondary meaning."

The true question presented, however, requests this Court to address whether the evidentiary burden placed on a reverse confusion claimant to establish rights in a trademark should be lowered to take into account the competing burdens of proof a claimant faces which, on one hand, require a showing that the public associates the mark with the claimant's goods/services in order to establish rights in the mark, and then, do the opposite on the reverse confusion issue, and establish that the public associates the claimant's uses of its own mark as those of the infringing junior user. Acknowledging that such a dilemma exists and in an attempt to equitably resolve it, several circuit courts have lowered the burden of establishing rights in a mark for reverse confusion claimants by, for example, lowering the quantum of proof needed to establish that the mark has acquired secondary meaning so as to avoid permitting the infringing junior user to use its superior market strength to infringe with impunity. (Petition p. 9). Other circuits, such as the Second Circuit in the underlying action, the Fourth Circuit, and at least one district court in the Eighth Circuit have all

refused to recognize such an exception. (Petition pp. 9-10).

American Express next says that Goetz has "concocted" the split by equating the doctrine of analogous use with the doctrine of secondary meaning. Yet, while bearing different labels, both doctrines may indeed be equated since both are used to determine whether a claimant has enforceable trademark rights. For example, as this Court has held, trademark rights may be established in an otherwise unprotectable mark, such as a color or product feature, upon a showing of secondary meaning which is attained when, in the minds of the public, the primary significance of the mark is to identify the source of a product rather than the product itself. *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205, 211 (2000); *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 163 (1995). The Second Circuit's test for "analogous use," through which Goetz sought to establish enforceable trademark rights, is virtually identical. It requires that any analogous use must be "open and notorious," *i.e.*, "of such a nature and extent" that the mark had become "popularized in the public mind," so that the relevant segment of the public identifies the mark with the claimant's goods/services. (Petition p. 10). Thus, while bearing different labels, both doctrines are indeed identical in application since both are used to establish enforceable trademark rights by showing that a mark is associated with a particular source in the public mind.

Lastly, American Express argues that review by this Court is unwarranted since American Express will prevail on the likelihood of confusion issue. (Opposition p. 10). This argument is without merit. As American Express admits on the preceding page of the Opposition, the issue of reverse confusion was never addressed by the courts below. (Opposition p. 9).

In short, this case is indeed an excellent vehicle in which to address the inequitable dilemma faced by a reverse confusion claimant. It is beyond dispute that American Express swamped the marketplace with its global advertising campaign despite receiving notice of Petitioners' use of the My Life My Card trademark via Petitioners' proposal months earlier and at a time in which American Express was in a position to move forward with a different trademark. It is also beyond dispute that upon launch of American Express's media blitz, Goetz was injured by the inability to make any further use of the mark it was the first to adopt and use in the marketplace. And perhaps in the biggest irony of all, the injury caused by American Express was the very reason the courts below refused to provide any relief to Goetz since they found that Goetz had failed to show that its use of the mark was "open and notorious," *i.e.*, "of such a nature and extent" that the mark had become "popularized in the public mind," so that the relevant segment of the public identified the mark with the claimant's goods/services. To prevent the injustice of permitting the infringing activities of a junior user

to be used as a sword against an injured party is the very reason why several circuit courts have lowered the burden of proof in establishing trademark rights for reverse confusion claimants. Not recognizing this dilemma will continue to permit larger and stronger junior users to misappropriate marks with impunity in some circuits while not being able to do so in others.

Respectfully Submitted,

Keith A. Vogt
Counsel of record
ROLF O. STADHEIM
JOSEPH A. GREAR
GEORGE C. SUMMERFIELD
STEVEN R. PEDERSEN
STADHEIM & GREAR, LTD.
Wrigley Tower – 22nd Floor
400 North Michigan Avenue,
Chicago, Illinois 60611-4102
312/755-4400

Micah R. Jacobs
Bullivant Houser Bailey
601 California St., Suite 1800
San Francisco, CA 94108-2823
Counsel for Petitioner